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Action Item

California Postsecondary Education Commission

Approval of the Minutes of the October 8, 2003, Meeting

MINUTES

California Postsecondary Education Commission

Meeting of October 8, 2003

**Commissioners
present** Alan S. Arkatov, *Chair*
Howard Welinsky, *Vice Chair*
Carol Chandler
Irwin S. Field
Odessa P. Johnson
Hugo Morales
Ralph R. Pesqueira
Rachel E. Shetka
Olivia K. Singh
Faye Washington
Dezie Woods-Jones

**Commissioners
absent**
George T. Caplan
Reed Hastings
Guillermo Rodriguez, Jr.
Evonne Seron Schulze

Call to order Commission Chair Arkatov called the October 8, 2003, meeting of the California Postsecondary Education Commission to order at 9:45 a.m. at the State Capitol, Room 113. He asked for a call of the roll.

Call of the roll Executive Secretary Anna Gomez called the roll. Commissioners absent were Caplan, Hastings, Rodriguez, and Schulze.

**Report of the
Chair** Commission Chair Arkatov introduced new Commissioner Hugo Morales of Fresno, California who was appointed by the Senate Rules Committee. Commissioner Morales thanked Chair Arkatov for his introduction, and then noted his interest in working with the Commission on important higher education issues. He stated that he is involved with Latino media in the Central Valley, and is a Board member of the Western Association of Schools and Colleges.

Chair Arkatov also introduced new Commissioner Dezie Woods-Jones of Oakland, California who was appointed by Governor Davis. Commissioner Woods-Jones thanked Chair Arkatov for his introduction. She noted that she had 34 years of postsecondary education experience, having worked for Peralta Community College District. She stated that she is very committed to higher education and that she currently works with a non-profit organization that helps empower African-American women.

Approval of the minutes	A quorum of the Commission having been established, Chair Arkatov asked for approval of the minutes from the July 22, 2003, meeting. Commissioner Chandler moved the minutes, seconded by Commissioner Field. The minutes were approved unanimously.
Report of the Executive Director	Executive Director Moore deferred his Director's Report to be part of his presentation in the afternoon under the Agenda Item 4 entitled "Staff and Commission Activities During the Coming Year."
Report of the Statutory Advisory Committee	<p>Statutory Advisory Committee Chair Ron Fox stated that the Committee had met twice prior to the Commission meeting — on July 22, 2003 and on September 25, 2003. He provided the Commission with highlights of activities and events taking place within the three public segments, and discussed the Committee's recommendations for the future direction of the Commission.</p> <p>Chair Fox noted that the community colleges Board of Governors expected to appoint a new chancellor in November 2003. He also indicated that the current chancellor held a press conference in September 2003 to discuss the reduction in course sections offered by community colleges and the effect of those reductions on student access.</p> <p>Chair Fox noted that six new Trustees were appointed to the State University's Board; and that the Board had: (1) voted unanimously to oppose Proposition 54; (2) was seeking new presidents for three campuses; and (3) was developing a long-term fee policy. He also stated that the CSU administration was working hard to manage budget reductions imposed on the system.</p> <p>With respect to the University of California, Chair Fox noted that: (1) Bob Dynes had assumed the Presidency; (2) that the Chancellor of UC Berkeley announced his retirement; (3) that two new Regents had been appointed; and (4) that the system was grappling with balancing budget constraints with the possibility of future fee adjustments.</p> <p>Chair Fox completed his comments regarding segmental activities by briefing the Commission on activities undertaken by the Superintendent for Public Instruction and the work of a new California Quality Education Commission.</p> <p>Chair Fox then turned his remarks to the future direction of the Commission. He provided the Commission with a list of policy questions that addressed: (1) the quality and cost of a higher education; (2) students charges; (3) implications of budget cuts; (4) faculty and staff compensation; (5) institutional productivity and efficiency; (6) deferred maintenance; (7) the connection between employment and education; and (7) the value of a college degree.</p> <p>Commissioner Pesqueira noted the importance of measuring quality of higher education.</p> <p>Commissioner Field stated that at the independent colleges and universities, accrediting agencies assess quality by examining outcomes and efficiencies at the institutional level.</p> <p>Commissioner Morales suggested that earning power is one measure of assessing outcomes.</p>

Chair Fox added that economic development and other external forces also are part of measuring institutional effectiveness.

Committee member Todd Greenspan added that the Commission was an important body to make the case for the value of a higher education.

Commissioner Chandler stated that time-to-degree was another measure of efficiency.

Chair Arkatov concluded the discussion by suggesting that the state needed a higher education summit to address all of these issues.

**Report of the
Nominating
Committee**

Commissioner Singh, Chair of the Nominating Committee, reported that the Committee had met on September 10, 2003, to recommend new officers. She noted that Howard Welinsky was nominated as Chair for the Commission, and that she was nominated as Vice Chair. She also indicated that Commissioner Chandler was nominated as Chair of the Education Code Section 66905 Committee, and that Commissioner Arkatov was slated to Chair the Nominating Committee with Commissioners Chandler and Field as members. The slate of officers will be voted on by the full Commission at its December meeting.

**Legislative
Update,
October 2003**

Executive Director Moore highlighted legislation that Commission staff was following. He discussed AB 655, the CPEC/BPPVE/CSAC consolidation bill, and noted that the bill had many amendments. He said that the bill was now more a statement of legislative intent, and that the Commission would be involved with the author regarding the bill once the Legislature reconvenes in January 2004.

Director Moore also noted that Commission staff was involved in legislative hearings dealing with the financing of higher education in California.

Chair Arkatov asked about the status of the Federal Higher Education Reauthorization Act and its impact on the state in terms of financing.

Director Moore responded that he was part of a State Higher Education Executive Officers team that was examining the Act from both a state and national perspective. He stated that California's Congressional delegation needed more information on the effect of the Act on California.

Director Moore then provided the Commission with an update regarding the Federal No Child Left Behind Teacher Professional Development program. He indicated that the Commission had received 116 program proposals, had identified 26 qualified programs, and had funded 13 of those programs so far. He stated that this program provides for better collaboration between K-12 and higher education.

Commissioner Pesqueira brought to the Commission's attention the City Heights Project at San Diego State University as a model of K-12 and higher education for teacher training and professional development.

Director Moore referenced SB 6 and indicated that Senator Alpert had expected to continue discussions on the bill after the Legislature reconvenes in January 2004. He

noted that other legislation had been introduced to address issues of community college governance and the hiring of community college executives in the Chancellor's Office.

Director Moore also noted that another issue area for legislation dealt with the accreditation of private degree granting schools that was authored by Senator Burton. He said that institutions like the University of Phoenix would no longer have oversight by the Bureau of Private Postsecondary and Vocational Education. He then raised questions regarding assessing institutional quality for such institutions.

**Implications for
California higher
education resulting
from the 2003-04
State Budget**

Staff member Karl Engelbach provided the Commission with an overview of a presentation he made to the Assembly Higher Education Committee. He discussed the fundamental shortcomings of the state's higher education financing mechanisms. He noted the difficulty of separating institutional functions at each segment of higher education for comparative purposes.

Commissioner Chandler noted how difficult it was to differentiate the cost of lower division instruction at UC and CSU from upper division and graduate level instruction.

Mr. Engelbach responded that some surrogate measures were necessary to assess the cost of instruction at each student level. He then discussed the cost, price, and public subsidy at each of the three public segments.

Chair Arkatov stated that policy makers needed better information about the cost of educating students, by student level, and that the information should be transparent.

Commissioner Johnson asked how such data would be useful without having information reported by academic program.

Mr. Engelbach responded that broad data about the cost of instruction by student level would be very informative.

Director Moore noted that getting data by student level would not necessarily serve the Commission well. Rather, he suggested that better information was necessary for assessing whether the state was attaining broader educational goals with the resources that were available.

Commissioner Morales asked if other groups were analyzing cost information by student level.

Mr. Engelbach responded that institutions look at cost differently depending on how they intend to meet student needs.

Chair Arkatov asked whether the UC and CSU could provide detailed cost of instruction data.

Commissioners Johnson and Pesqueira responded affirmatively, but noted that the data were suspect because of ineffective institutional attempts for assessing how faculty spend their time. Commissioner Pesqueira noted South Carolina reports detailed information regarding the cost of instruction, and that California might learn from them how to collect and report such data.

Mr. Engelbach responded that he would follow-up with his appropriate higher education colleagues in South Carolina.

Commissioner Field noted that the state has no idea about the magnitude of deferred maintenance in the state, and that the Commission should compile summary data for each segment.

Director Moore responded that this was an important issue, but that the shortfall in operating revenue was equally important.

Commissioner Johnson noted that any data reported on cost by level of student should not undercut allocations to the systems. She noted that faculty costs were very different in each segment.

Mr. Engelbach continued his presentation by discussing fees at California institutions in comparison to those in other states, and the proportion students pay of the cost of instruction.

Mr. Field noted the public's ignorance about the affordability of higher education in California.

Mr. Engelbach completed his presentation by discussing alternative higher education funding mechanisms, what should be the state's highest priorities, and how best to fund them. He also discussed the effects of current year budget cuts on each public segment.

**Acknowledgement
of Anna Gomez**

Chair Arkatov called upon staff member Anna Gomez. He congratulated her for 25 years of public service to the State of California and contributions to the Commission, and provided her with a certificate and gift.

**Staff and
Commission
activities during
the coming year**

Director Moore introduced this item by focusing on what the Commission's priorities would be for the coming year. He noted that it was time for a rebirth of the Commission, and stated that the Commission would be discussing how resources should be spent for both the Commission and for all of higher education. He then discussed staff projects expected to be completed during the coming year.

Director Moore also provided the Commissioners with draft versions of county education and demographic profiles. He said he intended to create a standard presentation of statistics for local government officials and elected representatives, and to paint a picture of the broad diversity in education and demography throughout the state. He stated he intends to use the county profiles to build relationships between those persons involved in education, economic development, and workforce preparation.

In response to several Commissioner comments regarding the content in the profiles, Director Moore noted that the drafts the Commissioners were reviewing were prototypes, and that he expected that they would change based on input he expects to receive from county representatives.

Commissioner Chandler noted the value of such profiles, especially for locally elected officials.

Commissioner Field requested that the profiles include the relationship between prison population and college-going population within each county, along with the comparative costs associated with educating students versus housing prison inmates.

Chair Arkatov suggested that the profiles include information on other postsecondary learning, including adult education, university extension programs, Regional Occupational Programs, and vocational education offerings.

Director Moore noted that not only more data was needed, but also that it was important for the profiles to present an interpretation of the data in terms of pressing public policy issues.

Commissioner Woods-Jones suggested that Commission staff consult with local councils of governments and local chambers of commerce.

Commissioner Field suggested that summary data should be presented, and that downloading a profile from the Internet because of its size might be overwhelming.

Commissioner Morales suggested that the profiles include information on household income by race and ethnicity.

Director Moore continued his briefing by noting that he was planning three gatherings: one focusing the use of technology in higher education; a second focusing on the availability and use of data; and a third on the achievement gap among various groups of the state's citizens.

Chair Arkatov asked if Director Moore could show the costs the Commission incurred in carrying out all Commission projects and activities.

Director Moore said that he could cost-out Commission projects, and that he expects to use outside contractors with donated funds to carry out some Commission initiatives.

Commissioner Johnson urged the staff to include an analysis of workforce training and vocational education on its list of activities.

Director Moore completed his comments by noting that he had reconvened the Intersegmental Program Review Committee to discuss mechanisms for streamlining the program review process and for gaining a better understanding of anticipated programs within a statewide context.

Director Moore then noted that the Commission would be developing a strategic plan around its current and anticipated projects when it meets at a retreat planned for December 9 and 10, 2003.

Public testimony

Steve Caldwell provided the Commissioners with a report of activities taking place at the California Student Aid Commission. He noted that funding for that Commission was shifted from the State General Fund to EdFund. He also advised the Commission regarding the recently completed Student Economic and Resources Survey, and provided each Commission with copies of three reports that the Student Aid Commission recently published.

Next Commission meeting	Chair Arkatov said that the next meeting of the Commission was scheduled for December 9-10, 2003, in San Francisco.
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Executive session	Upon the call of Chair Arkatov, the Commission adjourned to Executive Session to discuss personnel and budget issues.
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Adjournment	There being no further business upon completion of the Executive Session, Chair Arkatov adjourned the meeting at 3:40 p.m.
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